

Federal Fleet Performance: What's Next?



Federal Fleet Performance

Federal Fleet Management Training

Presidential Memorandum – Federal Fleet Performance (May 2011) required each agency:

- Identify its optimal fleet using 2011 baseline
- Develop Fleet Management Plan to achieve optimal fleet by 2015
- Include Fleet Management Plan in agencies' annual Strategic Sustainability Performance Plan
- Acquire only AFVs (light duty) after 2015
- Executive vehicles to be posted publically on agency website



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2005: FMR Bulletin B-9 "Documented Structured Vehicle Allocation Methodology for Agency Fleets"

Excerpt: "... each Federal executive agency is strongly encouraged to develop ...and thereafter maintain the subject methodology and optimal allocation for their vehicle fleet. Agency vehicle enhancements and replacements should be made to meet the optimal vehicle allocation. ... The methodology and optimal vehicle allocation should be updated, as necessary, upon review at least every five years..."



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FMR 102-34.50 What size motor vehicles may we obtain?

Excerpt: "...Agencies must establish and document a structured vehicle allocation methodology to determine the appropriate size and number of motor vehicles (see FMR Bulletin B-9 for guidance).



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2011: Presidential Memorandum – Federal Fleet Performance

Excerpt: "... GSA shall develop and distribute to agencies a Vehicle Allocation Methodology (VAM) for determining the optimum inventory with emphasis placed on eliminating unnecessary or non-essential vehicles from an agency's fleet inventory and ensuring lifecycle cost-effectiveness of maintaining such inventory."



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2011: FMR Bulletin B-30 "Vehicle Allocation Methodology for Agency Fleets"

Agency VAMs must encompass the following steps:

- Establish a baseline fleet inventory profile that tracks vehicles individually.
- Develop vehicle utilization criteria to justify mission essential vehicles.
- Conduct a utilization survey.
- Determine optimal fleet inventory.
- Review and update VAM ... The VAM shall be incorporated into agencies' internal fleet policies.



Where We've Been: The Initial 2011 VAM Survey

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Results projected from 2011 through 2015:

- Optimal fleet is 35,500 vehicles smaller, 10% of nonexempt vehicles studied
- Projected 13% increase in AFVs
- Projected 33% decrease in conventional vehicles
- Potential annual cost avoidance of \$240 million



Where We're Going: 2013 VAM Report

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What & When Do I Report?

- The FY 2013 VAM Report is submitted through FAST and closes March 31, 2014
- FY 2013 Actual data entry is completed
- Until March 31, 2014:
 - Review out-year projections for vehicle acquisitions & disposals to ensure they are accurate and consistent with VAM projections. Correct in FAST as necessary.
 - Update and Submit your Fleet Management Plan in FAST



Where We're Going: 2013 VAM Report

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What Happens Next?

- GSA will review each VAM submission and provide feedback
- Agencies should incorporate their fleet management plans in their June Strategic Sustainability Performance Plan submission



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(A) Introduction that describes the agency mission, organization, and overview of the role of the fleet in serving agency missions.

Briefly, what is the agency's primary/core mission, organizational and geographic structure, and how is the fleet configured to support it? What are the ancillary missions, such as administrative functions, and how are they supported? How are vehicles primarily used, and how do mission requirements translate into the need for particular vehicle quantities and types?



- A Good Response: Our fleet is comprised of 130 heavy-duty vehicles, 220 medium-duty vehicles, 6,136 light-duty vehicles (minivans, pickup, etc.), and 816 sedans. Employees who conduct investigations or interviews use sedans. The large passenger vehicles operate as shuttles to carry employees to central locations. The agency utilizes trucks and trailers to transport mail, supplies, equipment, and furniture.
- Not as Good ???: Agency XYZ's mission is described in its original enabling legislation:.... To fulfill its mission, Agency XYZ maintains a fleet of more than 12,200 vehicles used by the agency's bureaus across the U.S.



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(B) The criteria for justifying and assigning vehicles (including home-to-work vehicle assignments).

What are the factors and considerations used to determine assigning vehicles? Are vehicles assigned to individuals, offices, job classifications? What alternatives are considered to meet mission requirements before adding a vehicle (or vehicles) to the agency's fleet? How are home-to-work vehicles justified, assigned, and what steps are taken to limit HTW use?



- A Good Response: Vehicles are acquired for specific mission needs based on the following criteria: (list of justifications including mission, terrain, utilization, and much more). Vehicles are selected from an agency approved list and approved by the fleet manager. Home-to-work requires a business case to accompany the request that is reviewed by a senior official before submission to the head of the agency.
- Not as Good ???: The Department requires that all vehicles are tied to specific agency/bureau mission. The Bureaus justify each vehicle. Home- to-work is only approved on a limited basis.



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(C) Vehicle Allocation Methodology (VAM) target development and explanation for reported fleet size and cost changes or not meeting agency VAM targets.

Provide information on the methods used to produce your agency's VAM targets:

From your most recent VAM study, what was the specific utilization criteria used to determine whether to retain or dispose of a vehicle? Provide the miles, hours, vehicle age or other means used to make this determination. If a different criterion was used in different bureaus or program areas, provide the criteria for each.



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(C) Vehicle Allocation Methodology (VAM) target development and explanation for reported fleet size and cost changes or not meeting agency VAM targets.

From your most recent VAM study, what were the questions used to conduct the VAM survey? If different questions were used in different bureaus or program areas, provide the questions for each.

Provide an explanation for any measurable change in fleet size and/or cost or if you are not meeting your annual VAM targets. What are the plans to correct any deficiencies, and indicate factors that hinder attainment of your annual VAM targets.



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A Good Response: Agency XYZ considers admin. vehicles with less than 5,000 miles annually to be underutilized and seeks means to eliminate by consolidation with other vehicles or, where cost effective, use alternate transportation. For tradesman vehicles, the hours of service is obtained from service orders. Less than 800 hours of service is considered underutilized. Fire apparatus is considered in use when it is in the fire station and available for dispatch. 800 hours is the criteria for fire apparatus as well.

Our most recent VAM study asked: What tasks do you accomplish with the vehicle and how do those tasks support the agency's mission? How critical is the vehicle's need to accomplish the mission? continued...

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continued: How many people and what cargo will be transported per trip on a regular basis? Is the vehicle shared with others? Is there access to alternative fuel within 5 miles or 15 minutes of the vehicle's garaged location? What types of alternative fuel is available? What type of driving conditions is the vehicle used in (highway, off road, used for snow removal operations, tows a trailer with equipment, etc.)? Can the vehicle's work be done via alternatives to owning or leasing a vehicle such as sharing vehicles with other offices/agencies, or short term rentals when needed?

Agency XYZ is on-track to meet all VAM objectives.



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Not as Good ???: These are new questions this year.
 "Not as good" responses have not yet been received.



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(D) A description of efforts to control fleet size and cost.

How and why have the size, composition, and cost of your agency's fleet changed, and how are they projected to change in the future?

Does the agency ever acquire vehicles from other than the most cost-effective source and, if so, explain why? Discuss any trends toward larger, less fuel-efficient vehicles and the justifications for such moves. Discuss the basis used for your reported future cost projections (published inflation estimates, historical trends, flat across-the-board percentage increases, mission changes, etc.)



- <u>A Good Response</u>: It is policy to acquire vehicles only from the most cost effective source. When a new requirement has been identified, an economic analysis is conducted to determine the most economical type of vehicle to acquire. Commercial leasing shall only be authorized when there is a cost benefit.
- Not as Good ???: The number of vehicles on-hand fluctuates based on new acquisitions, vehicles pending sales transactions, and vehicles being placed into official use through our acquisition process.



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(E) An explanation of how law enforcement vehicles are categorized within the agency (See FMR Bulletin B-33).

Do you use the law enforcement (LE) vehicle classification system described in GSA Bulletin FMR B-33, and only exempt Level 1 LE vehicles from Energy Policy Act and VAM reporting? If not, explain how LE vehicles are categorized and which are exempted from Energy Policy Act and VAM requirements.



- A Good Response: XYZ utilizes the law enforcement (LE) vehicle classification system described in GSA Bulletin FMR B-33. However, no vehicles – law enforcement or otherwise – have been exempted from VAM.
- Not as Good ???: XYZ has designated these vehicles as Law enforcement (LE) vehicles because these vehicles are equipped with law enforcement equipment such as communication radios, sirens, and lighting packages. All are exempt.



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(F) Justification for restricted vehicles.

If your agency uses larger than class III (midsize) vehicles, is the justification for each one documented? Are executive fleet vehicles posted on your agency's website as required by the Presidential Memorandum of May 2011? If your agency reports limousines in its inventory, do they comply with the definition in GSA Bulletin FMR B-29? For armored vehicles, do you use the ballistic resistance classification system of National Institute of Justice (NIJ) Standard 0108.01, and restrict armor to the defined types? Are armored vehicles authorized by appropriation?



- A Good Response: In accordance with the implementation guidance for the Energy Independence and Security Act of 2007, Section 141, we have an approved agency exception letter on file and maintain exception data for all vehicles within our fleet that is larger than a class III (midsize) vehicle. We posted the executive fleet on the agency's website as required by the Presidential Memorandum of May 2011. XYZ has no limousines or armored vehicles
- Not as Good ???: From an agency with many restricted vehicles of all types: "N/A"



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(G) Description of vehicle replacement strategy and results.

- (1) The schedule the agency will follow to achieve its optimal fleet inventory, including plans for acquiring all Alternative Fueled Vehicles (AFVs) by December 31, 2015.
- (2) Agency plans and schedules for locating AFVs in proximity to AFV fueling stations. ...
- (3) Vehicle sourcing decision(s) for purchasing/owning vehicles compared with leasing vehicles through GSA Fleet or commercially. ...Include a rationale for acquiring vehicles from other than the most cost effective source.



- A Good Response: XYZ conducts a cost analysis to determine the best vehicle sourcing method and vehicle type. XYZ compares cost of owned vehicles to leased vehicles, compares all direct and indirect costs projected for the lifecycle of owned vehicles to the total lease costs over an identical lifecycle. During the VAM process, XYZ will ensure that all AFVs are in proximity to an Alt. Fuel station.
- Not as Good ???: If we can obtain sufficient replacement funds for the next two years, we should be able to achieve our optimal fleet inventory, including acquiring all Alternative Fueled Vehicles (AFVs) by December 31, 2015.



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(H) Description of the agency-wide Vehicle Management Information System (See FMR 102-34.340)

(1) Is there a vehicle management information system (MIS) at the Department or Agency level that: Identifies and collects accurate inventory, cost, and use data that covers the complete lifecycle of each motor vehicle (acquisition, operation, maintenance, and disposal); and provides the information necessary to satisfy both internal and external reporting requirements, including: Cost per mile; Fuel costs for each motor vehicle; and Data required for FAST reporting (see FMR 102-34.355.)



- (H) Description of the agency-wide Vehicle Management Information System (See FMR 102-34.340)
- (2) If the agency does not have such a system, what is being used to capture vehicle information, or is there no MIS at all?
- (3) If there is no MIS, what obstacles are preventing implementation and compliance with §102-34.340, "Do we need a fleet management information system?"



- A Good Response: For 15 years, XYZ has utilized its Fleet
 Management Information System (FMIS) and will continue to
 use this system for its fleet inventory, tracking expenses by
 vehicle, out-year planning, and reporting. XYZ's FMIS is fully
 compliant with FMR 102-34 requirements and includes most of
 the fields recommended in the B-15 Bulletin. Our FMIS
 interfaces with the agency financial system.
- Not as Good ???: The acquisition of a Department Fleet
 Management System will require further research and
 coordination with the XYZ Office of the Chief Information
 Officer to determine enterprise systems to best suit all of
 XYZ, subject to availability of funds.



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(I) Plans to increase the use of vehicle sharing.

Describe efforts to share vehicles internally or with other Federal activities. Describe pooling, car sharing, and shuttle bus consolidation initiatives. Describe efforts to reduce vehicles assigned to a single person.



- A Good Response: XYZ maximizes its loaner fleet vehicles at several locations. Additionally, we employ a shuttle system of five routes that services our locations throughout the NCR. These shuttles are available to all Federal employees on a space-available basis. XYZ does not assign vehicles to a single person.
- Not as Good ???: XYZ is interested in partnering with Federal, state, local governments to increase the use of vehicle sharing and shuttle bus program expansion and will likely pursue this in the near future.



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(J) Impediments to optimal fleet management.

What obstacles does the agency face in optimizing its fleet? In what ways is it hard to make the fleet what it should be, operating at maximum efficiency? If additional resources are needed, have they been documented and requested? If you feel hampered by specific laws, Executive Orders, GSA or internal agency regulations, budget issues, organizational obstacles, what exactly are they and how do they constrain you? Be specific and include examples. If you have a solution, describe it.



- A Good Response: XYZ has concerns regarding the availability and cost of alternative fuels and alternative fueled vehicles, primarily hybrids. The cost of a hybrid is 25 percent higher. For the leased side, the agency is responsible for incremental costs, so there still is an increase. Additionally, the availability of E85 fuel infrastructure is concerning. There will continue to be areas where there are no realistic solutions for AFVs, particularly in our very rural locations.
- <u>Not So Good ???</u>: Perhaps more incentives to support alternative fuel programs may help.



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(K) Anomalies and possible errors.

Explain any real or apparent problems with agency data reported through the Federal Automotive Statistical Tool (FAST). Discuss any data fields highlighted by FAST as possible errors that you chose to override rather than correct. Examples would be extremely high annual operating costs or an abnormal change in inventory that FAST considers outside the normal range, or erroneous data in prior years causing an apparent discrepancy in the current year. Any flagged, highlighted, or unusual-appearing data should be explained.



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A Good Response: FAST input errors identified

A. One fleet was flagged for not showing any fuel use for its three vehicles. This issue was resolved as the site is being disposed of and is currently unmanned. The three vehicles are going through the disposal process.

B. One fleet was flagged for a low diesel "fuel use to vehicle" ratio, as the site's diesel fuel use was less than expected. This was resolved. The vehicles are emergency response vehicles (fire trucks) that used little fuel.

Not as Good ???: All Bureaus were flagged for FAST errors because they have insufficient data at this time to complete the report.



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(L) A summary and contact information.

Who should be contacted with questions about the agency fleet? Provide the name and contact information for the agency headquarters fleet manager and the budget office reviewing official. Indicate if a budget officer did not participate in the process.



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Most people got that right.



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Questions?

You can also send Questions & Comments to: vehicle.policy@gsa.gov